

**COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY**  
**And Ex-Officio for the**  
**FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND**  
**MEETING OF THE BOARD OF TRUSTEES**  
**33 N. DEARBORN STREET-STE. 1000**  
**CHICAGO, ILLINOIS 60602**

**Minutes for November 8, 2012 Meeting of the Board**

The County Fund and the Forest Preserve District Fund are herein collectively referred to as the "Fund".

Call to Order and Roll Call.

Trustees Present: John Fitzgerald, Clem Balanoff, Robert Benjamin, Alexis Herrera, Robert Janura, Brent Lewandowski, Patrick McFadden, Ivan Samstein

Staff Present: Daniel R. Degnan, Executive Director; Nickol Hackett, Chief Investment Officer; Margaret Fahrenbach, Legal Adviser; Michael Maratea, Director of Finance; Angela McMillin, Director of Health Benefits; Paul Rzuszutko, Director of Annuity Benefits; Gary LeDonne, Senior Benefit Advisor; Sharon Ryan, Office Manager; Fernando Vinzons, Investment Analyst;

Others Present: Mary Pat Burns, Burke Burns & Pinelli, LTD; Jason Parks, Loop Capital; Mike Joecken, Callan; Sharon Piet, Poedsta & Company; Katie Sabo Cook County Commissioner Gainer's office; Amy Williams, Gabriel Roeder Smith & Company; Lance Weiss, Gabriel Roeder Smith & Company; Dan Levin, Buck Consultants; Larry Langer, Buck Consultants; Kim Nicholl, The Segal Company;

1. Review and Consideration of:

a. October 4, 2012 Board Meeting Minutes.

It was moved by Trustee McFadden and seconded by Trustee Herrera that the minutes of the October 4, 2012, Board Meeting be adopted.as amended.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Bills, Payroll Records, Annuities, Spouse & Child Annuities, Ordinary & Duty Disabilities and Refunds.

It was moved by Trustee McFadden and seconded by Trustee Janura that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

c. Public Comment.

2. 2012 Election Results

a. Report of Independent Election Administrator

It was moved by Trustee Lewandowski and seconded by Trustee Janura that the Report of the Independent Election Administrator dated November 7, 2012, be accepted as a true and accurate report of the results of the election held on October 31, 2012, and consistent therewith, that Diahann A. Goode was elected as the Cook County Employee Member Trustee and that Patrick J. McFadden was elected as the Cook County Annuitant Member Trustee. It is further moved that the Independent Election Administrator's letter dated September 26, 2012, stating that Samuel Richardson, Jr. was the sole candidate for election as the Forest Preserve District Employee Member Trustee be accepted as a true and accurate report.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Proclamation of Election and Declaration of the Winner of the Cook County Employee Member Election Held on October 31, 2012

It was moved by Trustee Lewandowski and seconded by Trustee Janura that the Proclamation of Election and Declaration of the Winner of the Cook County Employee Member Election Held on October 31, 2012, be accepted and, consistent therewith, that Diahann A. Goode be declared the winner of that election and that she be administered and execute the Oath of Office. It is further moved that the Fund's staff take all action necessary to file a copy of the executed Oath of Office with the Cook County Clerk as required by Section 5/9-186 of the Pension Code.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

c. Proclamation of Election and Declaration of the Winner of the Cook County Annuitant Member Election Held on October 31, 2012

It was moved by Trustee Lewandowski and seconded by Trustee Janura that the Proclamation of Election and Declaration of the Winner of the Cook County Annuitant Member Election Held on October 31, 2012 , be accepted and, consistent therewith, that Patrick J. McFadden be declared the winner of that election and that he be administered and execute the Oath of Office. It is further moved that the Fund's staff take all action necessary to file a copy of the executed Oath of Office with the Cook County Clerk as required by Section 5/9-186 of the Pension Code.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

- d. Proclamation of Election and Declaration of the Winner of the Forest Preserve District Employee Member Election Scheduled to Be Held on October 31, 2012

It was moved by Trustee Lewandowski and seconded by Trustee Janura that the Proclamation of Election and Declaration of the Winner of the Forest Preserve District Employee Member Election Scheduled to be Held on October 31, 2012, be accepted and, consistent therewith, that Samuel Richardson, Jr. be declared the winner of that election and that he be administered and execute the Oath of Office. It is further moved that the Fund's staff take all action necessary to file a copy of the executed Oath of Office with the Cook County Clerk as required by Section 5/9-186 of the Pension Code.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

At this time Trustee Balanoff entered the meeting.

3. October 23, 2012 Investment Committee Recommendations

It was moved by Trustee Janura and seconded by Trustee McFadden that the Board approve the recommendation of the Investment Committee made at their meeting on October 23, 2012, in fulfillment of the 6% allocation to private equity, that the County Fund select Mesirow Financial Private Equity, Inc., for a \$150 million dollar commitment commensurate with the pacing schedule to be funded from the Russell Private Equity ETF subject to satisfactory completion of final due diligence and successful contract negotiations. It is further moved that the Fund's Investment Staff be authorized to take all action reasonably necessary to effectuate the foregoing including the execution and delivery of related written agreements by the Executive Director on behalf of the Fund.

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Janura and seconded by Trustee McFadden that the Board approve the recommendation of the Investment Committee made at their

meeting on October 23, 2012, that the County Fund select Wells Capital Management for a \$100 million allocation to be funded from the Russell Private Equity ETF subject to satisfactory completion of final due diligence and successful contract negotiations. It is further moved that the Fund's Investment Staff be authorized to take all action reasonably necessary to effectuate the foregoing including the execution and delivery of related written agreements by the Executive Director on behalf of the Fund

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Janura and seconded by Trustee Lewandowski that the Board ratify the withholding of the County Fund's consent to Lightspeed Partners VI's third one-year extension term due to insufficient monetization of the Partnership assets since the Partnership was first extended as well as insufficient communication regarding the Partnership status. It is further moved that the Fund's Investment Staff, in consultation with Fund Legal Counsel and Investment Consultant, be authorized to take all action reasonably necessary to effect and communicate the same.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

4. Travel Approval

It was moved by Trustee Herrera and seconded by Trustee Lewandowski, consistent with the recommendations of the Funds' professional staff and the Funds' counsel, that the expenses, including any associated travel expenses, incurred by Ms. Nickol Hackett in attending the TIAA-CREF Annual Advisory Board Meeting on November 15, 2012, in New York City, New York at a projected cost of \$1,500 be approved, provided that reimbursement shall be in and for amounts consistent with the Funds' Travel Expense Reimbursement Policy.

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

5. 2013 Lobbyist Contract

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that the Funds retain the firm of John McCabe & Associates, Ltd., to provide legislative representation before the Illinois State government from January 1, 2013, through December 31, 2013, at a cost not to exceed \$24,000 and it is further

moved that the Funds take all action reasonably necessary to effectuate the foregoing including, subject to legal review, the execution and delivery of any related written agreement by the Executive Director on behalf of the Funds.

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

6. Other Benefit Matters

a. Michalski Hearing

It was moved by Trustee Janura and seconded by Trustee Balanoff that Retired Judge Michael C. Close be appointed to serve as the Hearing Officer for the administrative hearing requested by Ms. Kathleen M. Michalski.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Litviak

It was moved by Trustee Balanoff and seconded by Trustee Lewandowski that Mr. Litviak has demonstrated reasonable cause for delay in filing his application for duty disability benefits and is eligible for the benefits requested.

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Janura, Lewandowski,

PRESENT: Herrera, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

7. Legal Matters

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the Board convene an Executive Session pursuant to Section 2(c)(11) of the Open Meetings Act, 5 ILCS 120/2(c)(11), to discuss litigation matters.

Roll Call Vote:

AYES: Balanoff, Benjamin, Fitzgerald, Herrera, Janura, Lewandowski, McFadden, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Balanoff and seconded by Trustee Benjamin that the Executive Session be adjourned and that the Board return to open session.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

a. Securities Litigation – No action taken.

b. Tribune Settlement

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the Board not accept the settlement proposal made by the Plaintiffs in the matter of *In re Tribune Company Fraudulent Conveyance Litigation*, Case Nos. 11-MD-2296 (WHP), 12-MC-2296 (WHP) and it is further moved that the Fund's counsel be authorized to communicate the same to the Plaintiffs.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

c. Radice Hearing Officer Decision

It was moved by Trustee Lewandowski and seconded by Trustee McFadden that the Fund adopt the Hearing Officer's findings and recommendation and reaffirm its earlier decision denying Ms. Radice's application for ordinary disability benefits.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

d. Ratliff Hearing Officer Decision

It was moved by Trustee Lewandowski and seconded by Trustee McFadden that the Fund adopt the Hearing Officer's Findings of Fact and Conclusions of Law and reaffirm its earlier decision denying Mr. Ratliff's application for ordinary disability benefits.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

9. Ordinary Disability Benefit Calculation – No action taken.

At this time Trustee McFadden left the meeting.

8. Actuary Presentations

After hearing presentations from the finalists in the actuary search and considering additional input from staff on the matter the Trustees fully discussed the needs of the Fund.

It was moved Trustee Janura and seconded by Trustee Lewandowski that the Board retain Buck Consultants to provide actuarial services to the Funds for fiscal year 2012 at the rates to be negotiated by staff but not to exceed the original amount presented and it is further moved that the Fund take all action reasonably necessary to effectuate the foregoing including, subject to legal review, the

execution and delivery of any related written agreement by the Executive Director on behalf of the Funds.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Janura, Lewandowski, Samstein

NAYS: None

Vote Result: MOTION ADOPTED

10. Old Business/New Business

11. Adjournment

There being no further business before the Board the meeting was adjourned.

The Board's next regular meeting is scheduled for December 6, 2012.